

Date: August 14th 2023

Listing Department, The National Stock Exchange of India, Exchange Plaza, C-1 Bandra Krla Complex, Bandra (E), Mumbai- 400051, NSE Symbol: SALASAR	Department of Corporate Services, The BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, BSE Scrip Code: 540642
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Sub: - Investor Presentation

Dear Sir/Madam

Please find attached herewith Investor Presentation of the Company w.r.t. Financial Results of the Company for Q1 FY24, for your record and further dissemination.

Kindly take the same on record.Thanking You,

Thanking you,

**Yours faithfully
For Salasar Techno Engineering limited,**

**Alok Kumar
Managing Director
DIN:01474484**

CIN No. - L23201DL2001PLC174076



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SALASAR

Building a stronger future



A **SEASONED** INFRASTRUCTURE
ENABLER WITH KNOWLEDGE,
DEPENDABILITY, AND AGILITY

SALASAR TECHNO ENGINEERING LIMITED

Investor Presentation, August 2023

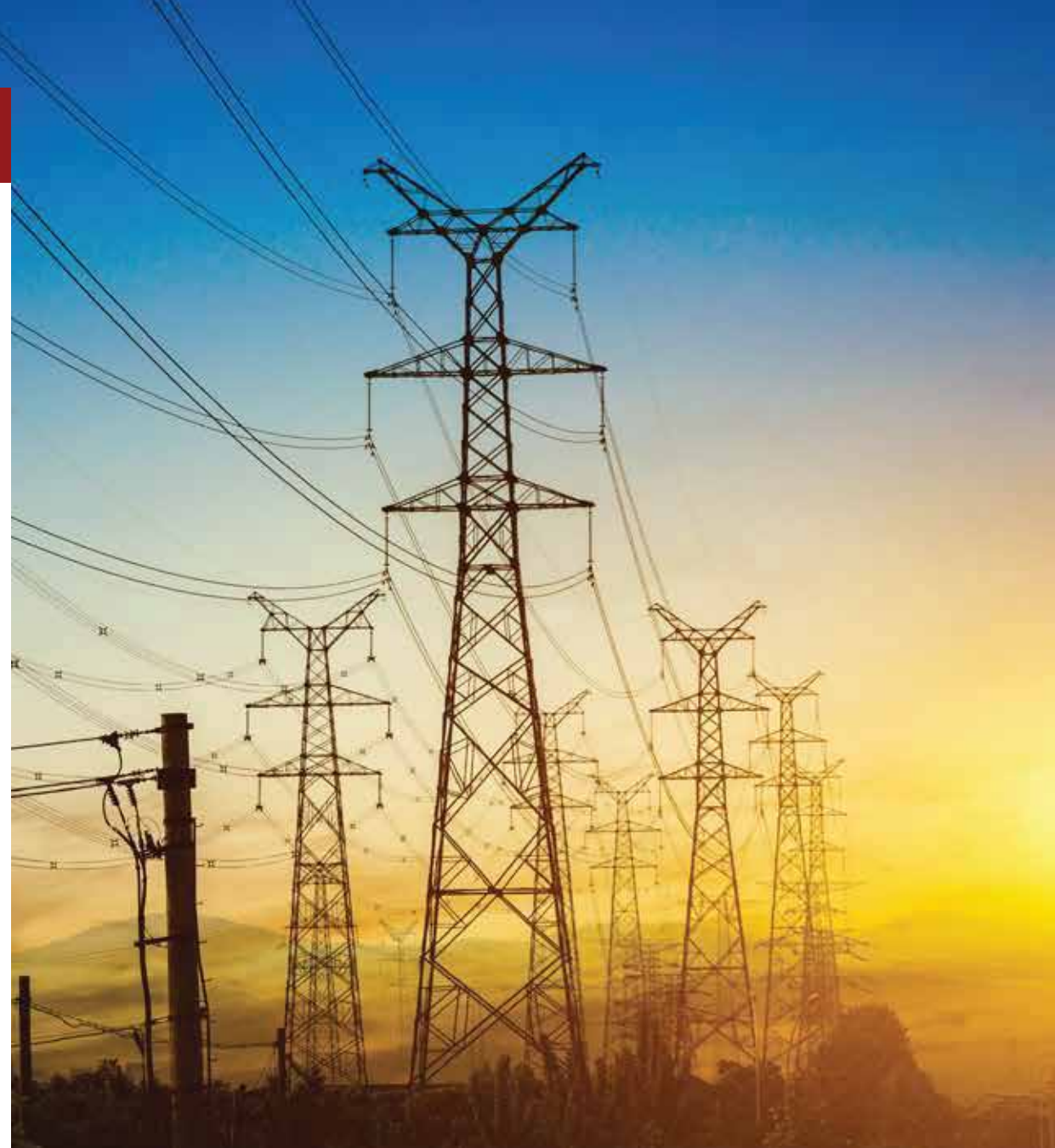


SAFE HARBOUR

This presentation and the following discussion may contain “forward looking statements” by Salasar Techno Engineering Limited (“STEL” or “the Company”) that are not historical in nature. These forward looking statements, which Aug include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of Salasar about the business, industry and markets in which Salasar operates.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond Salasar’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of Salasar.

In particular, such statements should not be regarded as a projection of future performance of Salasar. It should be noted that the actual performance or achievements of Salasar may vary significantly from such statements.



VISION

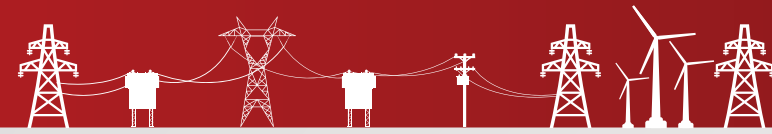
To make substantial contribution towards the development of National Infrastructure by providing technologically advanced solutions, and to play a critical role in making India the most preferred destination for the fulfilment of local and global infrastructural needs.

MISSION

To be at the forefront of developing technologically advanced infrastructural solutions for our customers around the world.



SALASAR AT A GLANCE



1

AREAS OF OPERATIONS

- Designing
- Manufacturing
- Contractual Galvanization
- Strengthening
- EPC Projects
- Fabrication



2

INFRA STRUCTURE CAPACITY

- **3 State-of-the-art** Manufacturing facilities
- Installed capacity of **1,15,000 MTPA**
- Equipped with CNC Machines, Industrial Machinery, Hydra & Cranes, Plasma Cutting Machine, Press Break Machine, Beam Welding & Straightening, Three Axis Drilling Machine, & Automatic Shot Blasting Machine



3

GEOGRAPHICAL PRESENCE AND PENETRATION

- Pan-India presence
- **600+ Clients** and customers served
- Supplied **50,000+ Telecom** Towers
 - Laid **~702 KMs** of Power Transmission Line
- Laid **~588 Railway track** km
 - Global Footprint: serves **25+ countries**



4

FINANCIAL PROWESS

- Revenue grew by **14.86% CAGR** from FY18 - FY23
- EBITDA grew by **11.20% CAGR** from FY18 - FY23
- PAT grew by **6.32% CAGR** from FY18 - FY23



COMPETITIVE ADVANTAGE



DIVERSIFIED BUSINESS MODEL

Designing and manufacturing products like:

- Telecom Towers
- Pre-Fabricated Buildings
- EPC Projects for Railway electrification
- EPC Projects for Transmission Lines
- Buildings and Bridges

RECOGNISED AND APPROVED VENDOR

- Approved vendor of PowerGrid Corporation Limited
- Approved by CORE (Central Organization for Railway Electrification).
- Qualified to bid for rural electrification projects

CUSTOMER CENTRIC APPROACH

- STEL's specialised goods and services offer unique value to our substantial and diverse client base, which in turn leads to high levels of customer satisfaction and retention, solidifying our position as one of the leading industry players

POWERFUL BRAND RECALLABILITY REINFORCED BY EFFECTIVE MANUFACTURING

- Salasar has a long-standing technical tie-up with Ramboll (Denmark) to manufacture lighter and lower-costing tower structures and high mast poles. With the experience of designing towers for more than sixty years, their designs are time tested and proven for performance.
- Strategic presence with technology driven manufacturing facilities allows it to carry out production at scale and offer quality products to its customers
- Strategic locational advantage allows it to procure best quality raw material in line with stringent Industry standards
- Boast of having zero defect production, shortest delivery window, and the ability to ramp up operations in minimum time anywhere

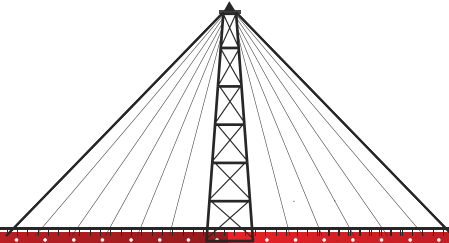


OUR JOURNEY



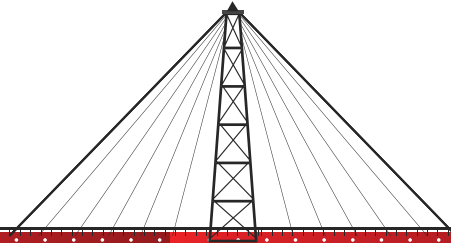
- Incorporated in the year 2006 and established itself as the industry leader in manufacturing and supply of Telecom Towers.

2006-2015



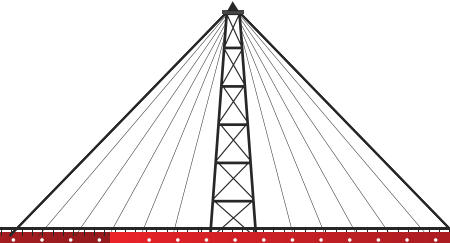
- Bagged project worth **Rs. 2,280Mn.** for rural electrification from PVVNL, UP.
- Introduced – Telecom Monopoles

2016



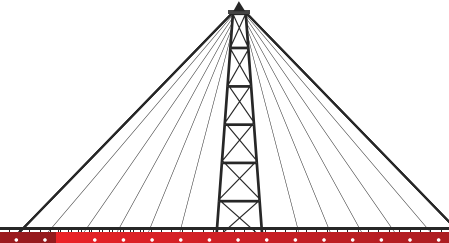
- Got listed on NSE and BSE Platform
- Introduced new products like high mast, stadium lights & flag poles, and smart city poles
- Increased its galvanizing capacity to **50,000 MTPA**

2017



- Received status of “Approved Vendor” from PGCIL.
- Commenced operations for transmission lines with first order coming from ‘Central Organization of Railways’ for track electrification worth **Rs. 395 Mn.**

2018



2019

- Won an order worth **Rs. 1,476 Mn.** from the state of Jharkhand, Haryana, and Orissa
- Won EPC order worth **Rs. 559 Mn.** from Haryana Vidyut Prasaran Nigam Limited and UP Power Transmission Corporation Limited

2020

- STEL received 2nd order under 2 year supply agreement with American Tower Corp worth **Rs.73 Mn.** for supply of towers in 5 African countries
- Secured a cumulative order worth **Rs. 546.5 Mn.** from Northern and Western Railways, AVAADA clean project, and electrification of railways in Lucknow

2021

- Embarked its journey into heavy steel and structure division by building roads and railway over bridges
- Ramped up production to meet increasing demand while aligning with Atmanirbhar Bharat values

2022

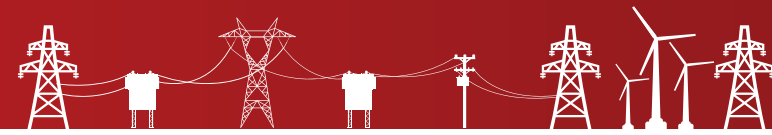
- Setting up foundational and operational infrastructure underway for seamless 5G connections in tier 1 and tier 2 cities which will stabilize revenue growth trajectory.
- Received two orders from PVVNL for Development of Distribution Infrastructure for Loss Reduction, worth ~Rs. 7,500 Mn.

2023

- Secured a Letter of Intent worth Rs. 1,430 Mn. From Nepal Electricity Authority (NEA) for Procurement of Material equipment, associated accessories, and necessary installation services including design, erection, testing, and commissioning of 33/11 KV substations and 33 KV, 11 KV, 400 V Lines and Distribution system Networks in Dang, Rukum East, and Baitadi Districts of Nepal.



OUR MANAGEMENT



Mr. Alok Kumar

Chairman & Managing Director

B.Sc. from Punjab University.

With an experience spanning over 4 decades in trading, manufacturing and fabrication of iron & steel, he started his journey as a Managing Partner in Gupta Traders and thereafter from 1959 operated two foundry units of C.I. casting namely Capital Founders and Capital Udyog.



Mr. Shashank Agarwal

Joint Managing Director

B.E. (Mech) from MIT, Manipal.

With an experience spanning 25+ years, Mr. Shashank has built the company from scratch with the help of other directors and was the driving force behind the company's IPO in 2017.



Mr. Shalabh Agarwal

Whole Time Director

B.E. (Mech) from MIT, Manipal.

With a professional experience of 20+ Years, Mr. Shalabh is at the forefront of all the innovation that takes place at the company from technological to procedural and looks after Salasar's power vertical.



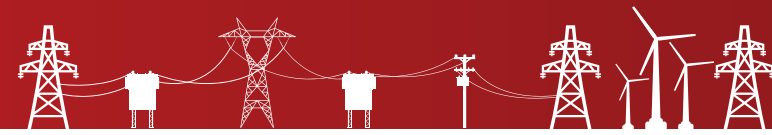
Ms. Tripti Gupta

Whole Time Director

B.Com from SRCC, Delhi and MBA in Finance from IMT, Nagpur.

With a decades experience in strategic management, policy-making, business development, and various other corporate matters; Tripti Gupta has been the pillar of strength for Salasar since 2014.





Mr. Sanjay Chandak

Independent & Non-Executive Director

Chartered Accountant.

Mr. Sanjay has an experience of over 3 decades in the field of Chartered Accountancy, he is an expert in Tax Planning, Income Tax, and Statutory Audits, and presently advises the board on all related matters.



Mr. Vijay Kumar Jain

Independent & Non-Executive Director

B.E. (hons) and MBA.

With an experience of more than 5 decades, Mr. Vijay Kumar lends his expert opinions to Salasar and has demonstrated proficiency in leading organizations toward success.



Mr. Mukesh Kumar Garg

Independent & Non-Executive Director

B.Tech Civil Engineering, M.Tech Structural Engineering, PGDIM and PGDM/IGNOU.

An ex-CAO of North Central Railway, Mr. Mukesh uses his experience of planning, executing, and managing costs of tenders worth several hundred crores to advise the company



Mrs. Garima Dhamija

Independent & Non-Executive Director

MBA from IIM, Kozhikode and Masters in Economics from Punjab University.

A Hogan and OPQ Certified Assessor, Mrs. Garim is certified in coaching through Emotional Intelligence. Her one-on-one work with senior leaders in businesses has been acknowledged for creating long term impact on individuals.



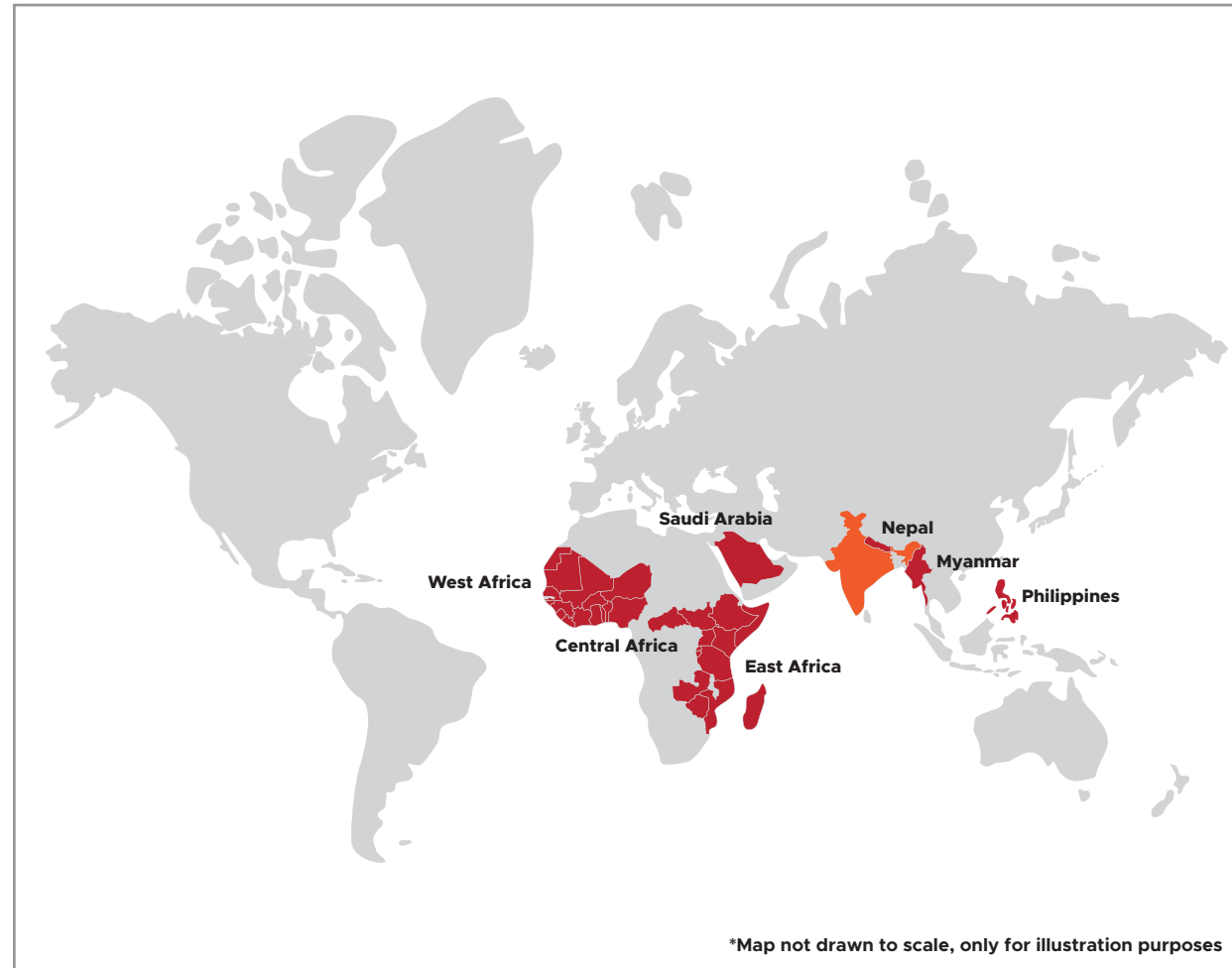
MANUFACTURING PLANTS & GEOGRAPHICAL PRESENCE



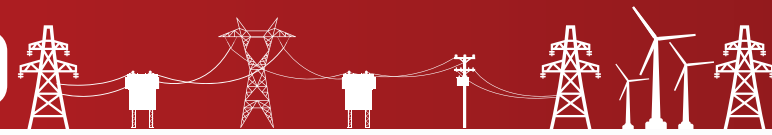
Plant	Unit 1	Unit 2	Unit 3
Location	Jindal Nagar, Distt. Hapur, Uttar Pradesh	Khera, Distt. Hapur, Uttar Pradesh	
Tower/Structure manufacturing and Galvanization	Overall - 1,00,000 MTPA		
Heavy Steel Structural Division	NA	NA	15,000 MTPA

The plants are equipped with CNC Machines, Industrial Machinery, Hydra & Cranes, Plasma Cutting Machine, Press Break Machine, Beam Welding & Straightening, Three Axis Drilling Machine, & Automatic Shot Blasting Machine improving production efficiency and precision of its products.

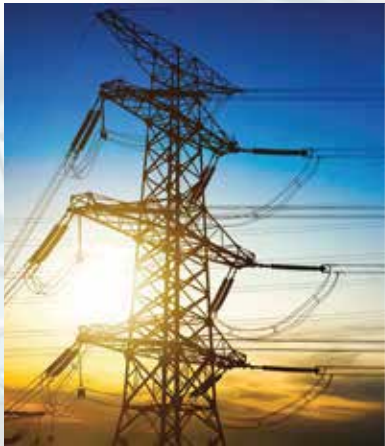
- STEL's plants are located at a strategic location that allows the company to procure raw materials at competitive prices.
- STEL has a Pan-India presence and has a huge geographic footprint, providing services to over 25+ Nations.
- Exporting Countries : **West Africa, East Africa, Central Africa, the Philippines, Saudi Arabia, Nepal, Myanmar, and many more.**



INDUSTRIES CATERED TO & PRODUCTS OFFERED



POWER	RENEWABLES	TELECOMMUNICATIONS	POLES	HEAVY STEEL STRUCTURE	SMART CITY SOLUTIONS
Transmission Line Towers	Solar Module Mounting Structure	Towers and Monopoles	Lighting Poles	Bridges	Smart City Poles
Substation Structures	Solar Trees	Cells on Wheels	Distribution Poles	Buildings	Camouflaging Solutions
Transmission Line Monopoles	Solar Water Pumps	Accessories	Infrastructure Poles	Heavy & Complex Structures	
Railway Electrification Structure	Windmill Tower				



CLIENTS CATERED



STRONG AND DIVERSIFIED CLIENT BASE, CELEBRATED IN THEIR RESPECTIVE SECTORS HAS HELPED THE COMPANY TO ESTABLISH ITSELF AS A KEY INDUSTRY PLAYER

Telecom Sector



Power Sector



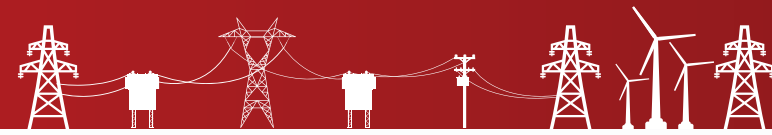
Others/EPC



and many more...



ORDER BOOK POSITION



Particulars (Rs.Mn)	Value
Domestic EPC Orders	₹ 11,000
International EPC Orders	₹ 1,430
Orders under Heavy Steel Structure Division	₹ 1,040
Monopoles	₹ 640
Exports orders (Telecom Towers and Poles)	₹ 240
Total Orders as on 30th June 2023	₹ 14,350

- The company generally receives regular monthly orders for telecom towers, with an approximate value of **Rs 300 to 350 Mn.**



INDUSTRY OVERVIEW & GROWTH OPPORTUNITIES

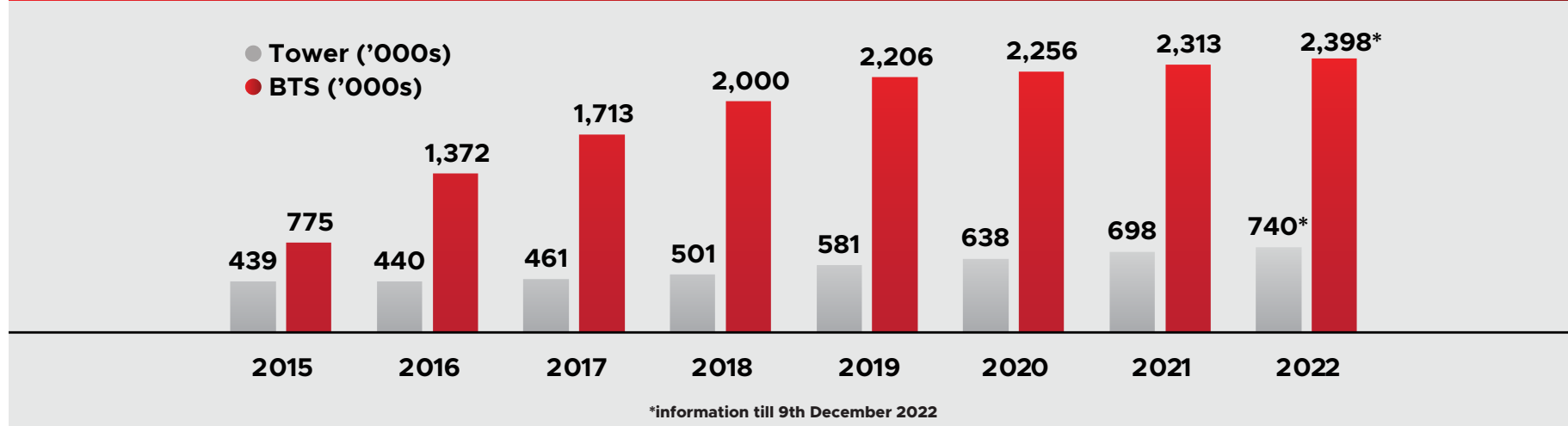




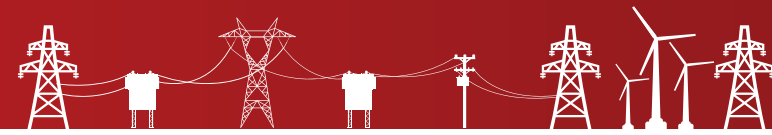
The growth of the country's GDP depends heavily on iron and steel industry. STEL caters to diverse range of industries, including Construction, Infrastructure, Telecom, Power Distribution, and many more, that employ iron and steel goods.

India is the second largest Telecom market in the world with a subscriber base of **1.17 Billion**.

Yearly growth of towers and base stations (BTS)

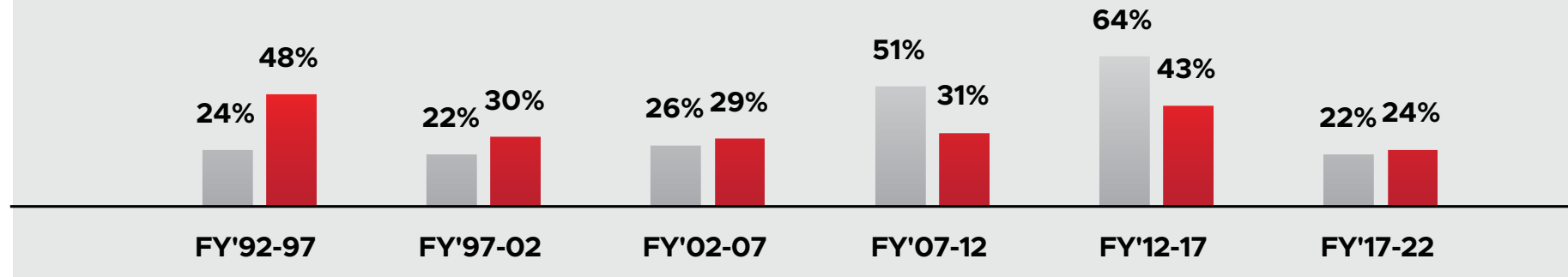


- As the rollout of **5G begins**, demand for telecom towers in next 10 years is expected to be greater than in the last **25 years**
- There are **-6,00,000 towers** in India at the moment, with about 8,00,000 points of connectivity. To have a seamless 5G experience across the country, at least **10,00,000** more towers are needed and at least **15,00,000 points** of connectivity are needed in the next 10 years
- In the recent budget discussion, Government of India has ballooned the compensation to service providers for creation and augmentation of Telecom Infrastructure from **Rs. 8,000 Crore to Rs. 9,000 Crore**
- Furthermore, Modern product offerings in the segment like monopoles, Smart City Solutions, and Portable Towers can be a game changer for the Industry

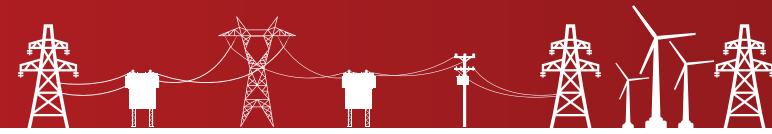


Historical Generation and Transmission Investment

- % Growth in Generation Capacity (MW)
- % Growth in Transmission Capacity (ckt km)

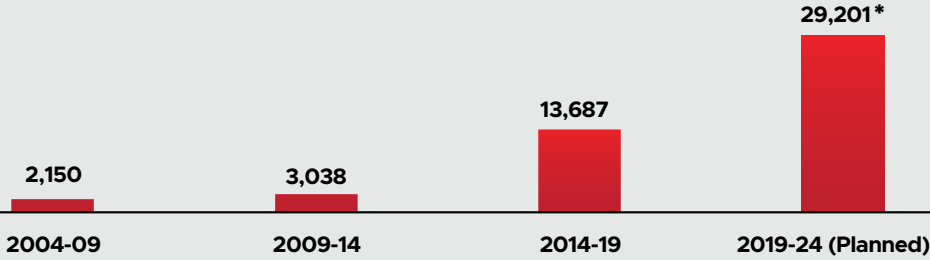


- The government's ambitious plan to achieve a capacity of 500 GW in non-fossil energy by 2030 is set to significantly bolster the renewable sector driving the demand for solar panels and windmills, creating ample opportunities for growth and expansion in the renewable energy industry.
- ICRA expects an investment of **~Rs. 1.8 Trillion** over the five year period from FY21 to FY25 in the power transmission segment at an all India level and an estimated **Rs. 6-8 Trillion** of market opportunity is expected in transmission till FY29.
- As per the rolling plan (March'22) prepared by Central Transmission Utility of India (CTUIL) upto 2026-27 for Inter-State Transmission System (ISTS) envisages an investment of about **₹1,24,148 crore during FY 2023-27**.
- Further, the Inter-Regional (IR) transmission capacity is expected to grow from present level of **1,12,250 MW to about 1,18,740 MW in next 2-3 years**.

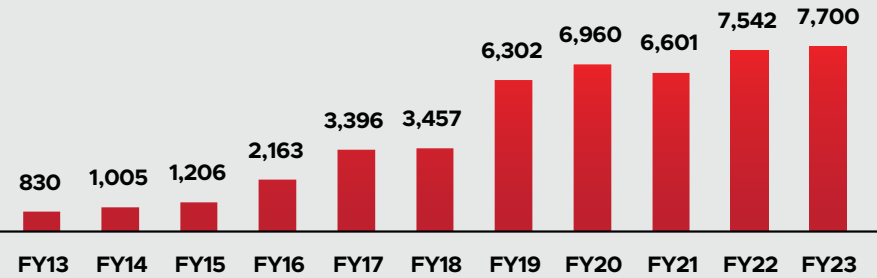


Growth of Railway Electrification (Route Km, RKM)

*6,886 RKM already commissioned till 21

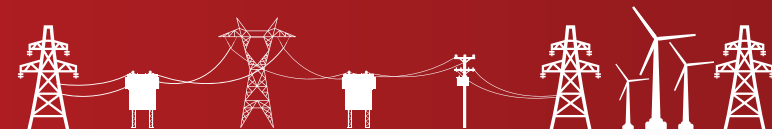


Budget Allocation for Railway Electrification



- With **Rs. 2.4 Lakh Crore** allocated by Government of India in its latest budget, Government plans to fully electrify the balance 42% network till 2024.
- Within the allocated funds of **2.4 Lakh crore** to the Ministry of Railways, a significant portion of **1.07 Lakh crore** has been designated for CAPEX purposes.
- Close to **30 Billion units** of electricity shall be required for railway electrification on annual basis by 2024 creating a massive opportunity for overhead line equipment suppliers to supply for the equipment like conductors, transformers, and distribution utilities.
- Sub-station capacity to enhance leading to opportunities for transmission and distribution utilities creating a multitude of opportunities for EPC contractors.

CAPACITY EXPANSION



STEL is expanding its manufacturing capacity to keep up with the growing demand and is on the path of expanding its product portfolio with optimal utilization of capacity.

LOCATION	DIST. HAPUR, UTTAR PRADESH	BHILAI, CHHATTISGARH
Facility	New Galvanization Plant	Heavy Steel Structure Division – II (HSD - II)
Annual Capacity	96,000 MTPA	25,000 MTPA
Project Cost	Rs. 500 Mn.	Rs. 600 Mn.
Expected Commissioning	Q2 FY24	FY25

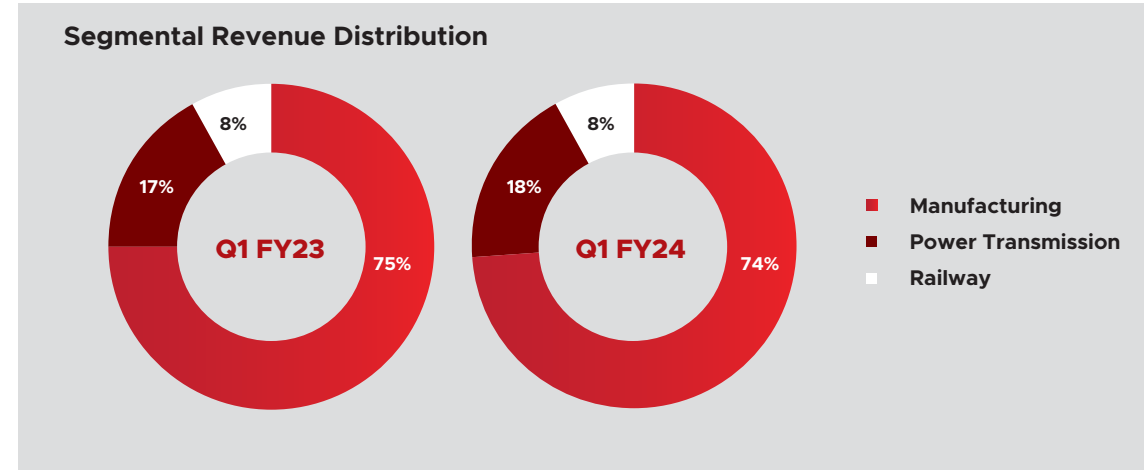
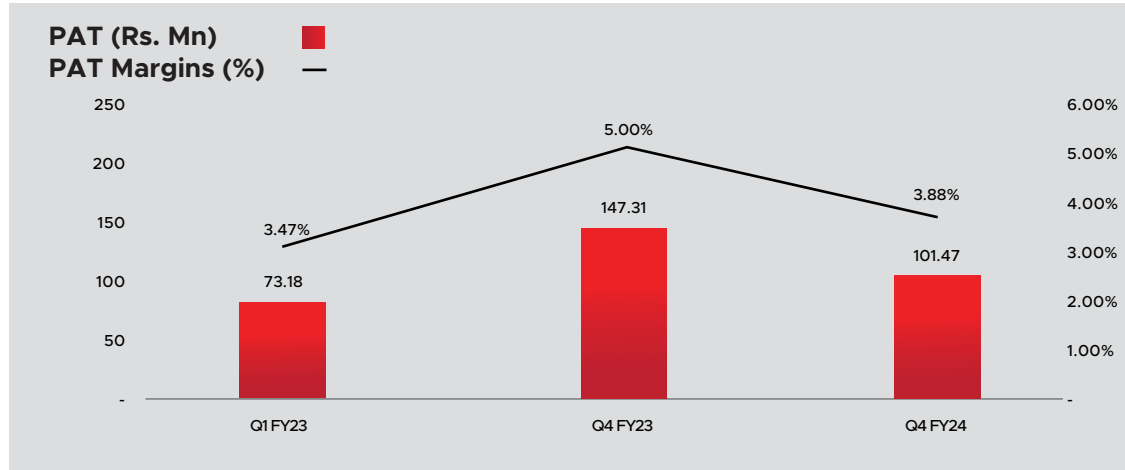
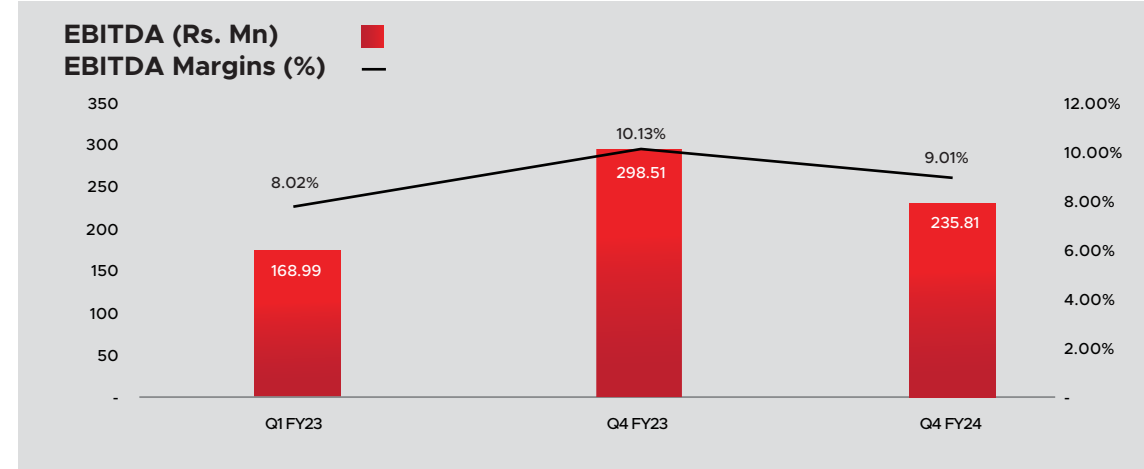
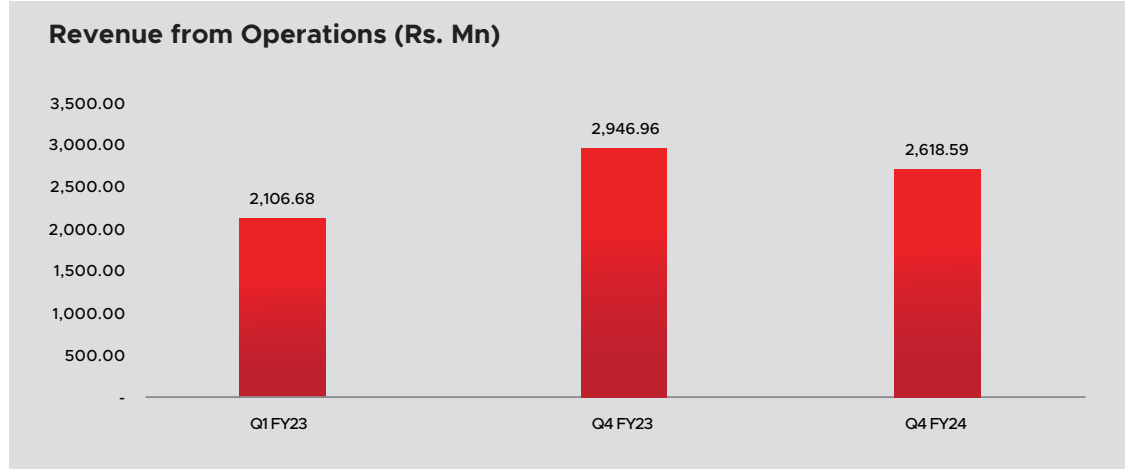
- Upcoming steel galvanization plant will be the largest galvanization plant in Asia.
- Post commissioning of the new GI plant, existing facility will be used as a backup in case of an emergency. The new GI facility will enable STEL to manufacture monopoles up to 3 metre diameter used in higher KVA transmission lines, acting as a value added product and fetching better margins.
- The Heavy Steel Structure Division – II (HSD-II) will allow STEL to tap Southern and Eastern region of the Indian market via setting up steel fabrication unit.
- By achieving full capacity utilization of the HSD plant, STEL is poised to experience a substantial boost in growth, propelling it to the next level.



OUR OPERATIONAL & FINANCIAL PERFORMANCE HIGHLIGHT



Figures in Rs. Mn.





FINANCIAL SYNOPSIS

CONSOLIDATED FINANCIAL SNAPSHOT



Income Statement

Particulars (Rs. Mn)	Q1 FY24	Q1 FY23	YoY (%)	Q4 FY23
Revenue from operations	2,618.59	2,106.68	24.30%	2,946.96
Other income	4.95	5.84		16.29
Total revenue	2,623.54	2,112.52		2,963.24
Total expenses excluding depreciation, ammortization, and finance cost	2,382.78	1,937.69	24.19%	2,648.45
EBITDA (Excluding Other Income)	235.81	168.99	39.54%	298.51
EBITDA Margin %	9.01%	8.02%	99 bps	10.13%
Depreciation & Amortization	22.28	18.69		21.75
Finance Cost	81.90	57.73		94.46
Exceptional Items	0.00	0.00		(6.45)
PBT	136.59	98.42		192.14
Tax Expense	35.11	25.24		44.82
PAT	101.47	73.18	38.67%	147.31
PAT Margin %	3.88%	3.47%	40 bps	5.00%
Other comprehensive income	0.00	0.00		(0.79)
Net PAT	101.47	73.18		146.52
Diluted EPS	0.32	0.26		0.48

REVENUE GROWTH :

In the first quarter of FY24, revenue from operations experienced a healthy growth of **24.30%** reaching to **Rs. 2,618.59 Mn. in Q1 FY24** compared to **Rs. 2,106.68 Mn. in Q1 FY23**. This growth was primarily driven by the rising demand of customized steel structures and diversified EPC solutions, as well as efficient execution of the order book.

EBITDA & EBITDA MARGINS :

EBITDA increase by **39.54%** from **168.99 Mn. in Q1 FY23 to Rs. 235.81 Mn. in Q1 FY24** and **EBITDA** margins increased by 99 bps from 8.02% in Q1 FY23 to 9.01% in Q1 FY24 led by increasing scale of operations and efficient utilisation of resources.

PAT & PAT MARGINS

PAT was recorded at **Rs. 101.47 Mn. in Q1 FY24** from **Rs. 73.18 Mn. in Q1 FY23** surging by **38.67%** on YoY basis and PAT Margins increased by **40 bps** from **3.47% in Q1 FY23 to 3.88% in Q1 FY24**.

MANAGEMENT COMMENTARY



“We are happy to share with you our robust financial and business performance for Q1 FY24. Our revenue from operations increased by 24.30% from Rs. 2,106.68 Mn in Q1 FY23 to Rs. 2,618.59 Mn in Q1 FY24. Our EBITDA margins increased by 99 bps from 8.02% in Q1 FY23 to 9.01% in Q1 FY24 and PAT margins improved by 40 bps in Q1 FY24 to 3.88% in Q1 FY24 compared to 3.47% in Q1 FY23.

Our expertise and strengths continues to be reflected in our strong orderbook which is worth Rs. 14,350 Mn. In the EPC segment, we are experiencing heavy traction and have secured orders from various sources in both domestic and international markets. The towers and poles segment is also experiencing strong demand from both domestic and international markets. This heightened demand is primarily being driven by the escalating need for telecom towers and robust advancements in establishing 5G services across India. In addition there has been a notable increase in electricity demand on year-on-year basis which has led for increased and healthy demand of our products used in the power T&D industry. Moreover, in our heavy steel structures division, the outlook is equally positive because of robust infrastructure push by government.

Further, our new state of the art galvanization plant is nearing completion and the said expansion will allow us to manufacture monopoles up to 3 meter in diameter used in higher KVA transmission lines. This segment faces less competition owing to our strong presence and will act as a value-added product offering better margins and boosting our revenue visibility. This new plant also deploys step ahead processes and cutting edge technologies which will enhance overall efficiency in the manufacturing process and enhance margins.

We believe that the above expansion will aid us in capitalizing on opportunities that emanate from India’s transformative shift towards stainless steel and galvanized steel, departing from conventional offerings. This transition is closely tied to India's dedication to sustainable infrastructure and its progression towards clean energy and achieving net-zero emissions.

Lastly, we remain focused on our core mission of delivering exceptional engineering and construction solutions to our customers while driving sustainable growth to our stakeholders. We will continue to invest in our network and technology, while also exploring new opportunities for growth and innovation. We would like to conclude by thanking our whole team who have stood tall with us in every situation”





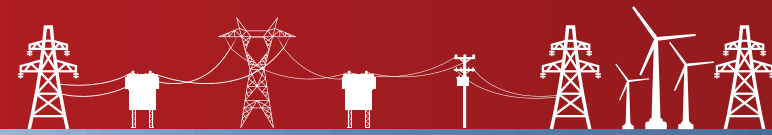
Economic Outlook

- The government's ongoing emphasis on infrastructure development creates opportunities for the company to participate in major projects and contribute to the growth of the sector
- With steel prices stabilized, the company can offer more competitive pricing to customers, potentially leading to increased market demand and sales.

Riding On Multiple Growth Levers

- The Company's renewable business is set to benefit from the growth of renewable energy in India, creating a favorable environment that will contribute to its progress and success
- Poised to benefit from the increasing demand for electricity, presenting opportunities for revenue growth
- The introduction of 5G technology is expected to drive a surge in demand for telecom towers in India.
- The Company can capitalize on the government's objective of electrifying railways, opening avenues for business expansion.





ENVIRONMENT

- STEL is committed towards a cleaner, greener, and healthier environment.
- STEL is reducing energy consumption and carbon emission by installing rooftop solar panels.
- STEL is contributing towards increasing green cover around areas of its presence.



SOCIAL

- STEL is contributing towards skill development among the local population.
- STEL is undertaking extensive initiatives within the CSR Policy.

GOVERNANCE

- STEL is creating a professional board and bringing in professional KMPs as part of compliance and professional ethics.



CAPITAL MARKET INFORMATION



Shareholding Pattern as at 30th June, 2023

Particulars	% Shareholding
Promoter and Promoter Group	63.07%
Institutions	9.04%
Public	27.88%
TOTAL	100.00%

Market Indicators

Incorporated	2006
Listed on	BSE & NSE
BSE Scrip Code/ NSE Symbol	540642/ SALASAR
Issued Shares	31,57,05,280
Share Price (as at 11th Aug, 2023)	50.71
Market Capital (Rs. million)	16,009 Mn.
52 Weeks High/Low	58.30/22.40

Market Price Performance





SALASAR
Building a stronger future

THANK YOU

For further information on the Company,
please visit - www.salasartechno.com

Email: compliance@salasartechno.com

Contact: +91 172 466 7111

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